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(*b*) if the answer to (*a*) is in the affirmative, what steps Government propose to take to prevent the shifting of such textile machinery?

THE HON. SRI H. SITARAMA REDDI :—" (*a*) No, Sir.

" (*b*) Does not arise."

Production of chlorine in the Province.

* 107 *Q.*—SRI R. SURYANARAYANA RAO : Will the Hon. the Minister for Industries be pleased to state—

(*a*) the names of factories responsible for the production of chlorine in the Province ;

(*b*) the quantity produced by each factory ;

(*c*) the normal consumption of chlorine in the Province ;

(*d*) whether the panel on heavy chemicals has fixed any target of production to meet the increasing demand ; and

(*e*) what steps the Government propose to take to step up production of chlorine?

THE HON. SRI H. SITARAMA REDDI :—" (*a*) The Mettur Chemicals, Limited, is the only factory in the Province producing chlorine.

" (*b*) This factory produces one ton of chlorine per day.

" (*c*) Information regarding the total consumption of chlorine in the Province is not available.

" (*d*) Yes. The panel on heavy chemicals has fixed the five-year target for chlorine at 40,000 tons per annum.

" (*e*) There is no proposal to start a Government factory for the production of chlorine. The Government have however recommended to the Government of India the floatation of certain companies for the starting of factories for the manufacture of chemicals including chlorine. When these factories are started, the production of chlorine will be speeded up in the Province."

SRI R. SURYANARAYANA RAO :—" May I know how many factories are proposed to be set up and what is the capacity of each of them?"

THE HON. SRI H. SITARAMA REDDI :—" I would suggest to the hon. Member to put a separate question."

Takkavi loans.

* 108 *Q.*—SRI R. SURYANARAYANA RAO : Will the Hon. the Minister for Land Revenue be pleased to state—

(*a*) whether it is a fact that the Government are charging 5½ per cent as interest on takkavi loans obtained by the land owners and agriculturists under the Land Improvement Loans Act and Agriculturists' Loans Act;

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(b) whether it is a fact that the Government are able to borrow in the open market at less than 3 per cent;

(c) whether the rate of interest charged from the agriculturists is higher than the bank rate and the rate charged by the Land Mortgage Banks;

(d) whether any representations have been made to the Government to reduce the rate of interest and if so, the nature of the representations and the decisions of the Government thereon; and

(e) whether the Government have at any time considered the necessity for reducing the rate of interest with retrospective effect in view of the urgent need to grow more food?

THE HON. SRI K. MADHAVA MENON (on behalf of the Hon. Sri Kala Venkata Rao) :—" (a) Yes.

" (b) The effective borrowing rate of the Government as recently fixed is 3 per cent per annum.

" (c) The Board of Revenue has consulted some leading scheduled banks in regard to the rate at which interest is charged by them in respect of loans advanced to cultivators. It has reported that they do not advance any loans to cultivators for agricultural purposes. Only Land Mortgage Banks are advancing loans to agriculturists. The rate of interest charged by these banks before 18th April 1947 was higher than the rate of interest charged by the Government by ¼ per cent and lesser by ¼ per cent after that date.

" (d) & (e) The Government have received representations asking for a reduction of the rate of interest.

" The question of reducing the rate is under the consideration of the Government. If it is decided to reduce the rate of interest, the question whether retrospective effect should be given to such reduction will also be considered."

SRI R. SURYANARAYANA RAO :—" May I know, Sir, as Land Mortgage Banks are only advancing money for the clearance of prior debts and only very small amounts for reclamation of lands, but not definitely for agricultural purposes for the purpose of production, while takkavi loans are granted for assisting the agriculturist to bring more land under cultivation, to cultivate better, to buy better seeds and use better implements, if the Government would consider the question of reduction of rates of interest as quickly as possible? "

THE HON. SRI K. MADHAVA MENON :—" It is a fact that Land Mortgage Banks give loans for the clearance of prior loans and that takkavi loans are granted for agricultural purposes for the year; as I have already said, the matter is already under consideration and it will be quickly considered."